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No. 04-1350

Supreme Court, U.S.
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In the Supreme Court of the United States

KSR INTERNATIONAL CO.,
Petitioner,

vs.

TELEFLEX INC. and
TECHNOLOGY HOLDING CO.,
Respondents.

On Writ of Certiorari to the
United States Court of Appeals
for the Federal Circuit.

BRIEF OF LEE THOMASON AS *AMICUS CURIAE* IN SUPPORT OF RESPONDENTS.

LEE THOMASON
SPALDING & THOMASON
106 North 4th St.
Bardstown, KY 40004
(502) 349-7227
Amicus Curiae
and Counsel

Sept. 25, 2006

QUESTION PRESENTED

Whether the Federal Circuit erred in holding that a claimed invention cannot be held "obvious," and thus unpatentable under 35 U.S.C. §103(a), in the absence of some proven "'teaching, suggestion, or motivation' that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed."

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BRIEF OF LEE THOMASON AS *AMICUS CURIAE* IN SUPPORT OF RESPONDENTS AND AFFIRMANCE.

Interest of *Amicus Curiae*

Lee Thomason respectfully submits this brief as *amicus curiae,* in support of Respondents, pursuant to Supreme Court Rule 37.2(a).[1] Both the

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[1] Pursuant to Supreme Court Rule 37.6, *amicus curiae* states that counsel for the parties have not authored any portion of this brief, in whole or in part. No person or

Petitioner and the Respondents have filed written consent to the filing of *amicus* briefs with this Honorable Court.

The interest of the undersigned as *amicus curiae* is as a registered patent attorney, who litigates patent cases, including in courts within the 6th Circuit, from which the *KSR* case comes, and including cases involving the obviousness defense. Also, *amicus* has presented appeals to the Court of Appeals for the Federal Circuit since admission there in 1986. The undersigned has petitioned for certiorari from rulings of the Federal Circuit, since having been admitted to practice before the Supreme Court in 1990.

Further, *amicus* has participated actively in patent legislation reform efforts, by submitting comments at hearings, and to legislative committees. Previously, *amicus* chaired the subcommittee of a major, IP law organization, advocating legislative reforms for the inequitable conduct defense to infringement. Also, *amicus* chaired a regional bar association IP section, and presents legal education programs on patent-related topics.

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entity, other than the *amicus* made any financial contribution to the preparation or submission of this *amicus* brief.

STATEMENT OF THE CASE

SIGNIFICANT ASPECTS OF THE DECISIONS BELOW.

In the District Court, obviousness was decided on a motion for summary judgment.

The Federal Circuit reversed for a lack of adequate findings, specifically, findings inadequate to support the lower court's conclusion about a teaching, motivation, or suggestion in the prior art to combine references.

Thus, this case can be viewed simply as a decision based on an "incomplete analysis" or on inadequate record, which the Circuit Court ruled should be developed fully.

SUMMARY OF ARGUMENT

The Federal Circuit ruling that the lower court did not make adequate findings to support a summary judgment of obviousness should be affirmed, and the case remanded for further findings.

The Petitioner contends that evidence of a teaching, motivation, or suggestion to combine the prior art is *irrelevant* to a determination of obviousness. Proof about any extant teaching, motivation, or suggestion to combine the prior art is *relevant* evidence, about which well-developed findings should be made, before a duly-issued patent is declared obvious.

Suggestions from Petitioner and *amici* to abandon reliance on evidence of a teaching, motivation, or suggestion to combine are misplaced, or require legislative action. Instead, this Court should favorhaving obviousness rulings reviewed for an abuse of discretion, as are all equitable determinations.

ARGUMENT

1. AMPLE GROUNDS TO AFFIRM.

This Court could affirm the Circuit Court on several grounds, primarily, that a summary judgment of obviousness cannot rest on inadequate findings, or issues open to dispute.

The Petitioner contends that evidence of a teaching, motivation, or suggestion to combine the prior art is irrelevant to a determination of obviousness. On that premise, the Petitioner argues that the District Court need not make further findings.

The District Court narrowed the inquiry to the "nature of the problem to be solved." The Federal Circuit noted that, and reversed because the lower court "applied an incomplete" test of whether the prior art contains a teaching, motivation, or suggestion, either explicitly or implicitly, to make the patented combination.

This Court should affirm because assessing whether, or not, the prior art provided any teaching, motivation, or suggestion to combine known elements, is relevant evidence, about which complete findings should be made in every obviousness case.

That evidence is relevant to the "content of" the prior art, and it fleshes out whether the "differences" were obvious, or not. If that evidence can be presented, or if none can be shown, then that shows obviousness, or non-obviousness. Probative evidence should never be ignored, especially when the grant of a duly examined and issued patent is being challenged.

Here, the District Court findings may be deemed inadequate to review whether a teaching, motivation, or suggestion existed in the prior art, explicitly, or implicitly, or whether that evidence was not genuinely in dispute.

2. Novel Combinations, Even Those Non-Pioneering Combinations, Are Entitled to Patent Protections, Including the Presumption of Validity.

The question here, is presented when the invention comprises known elements, in a non-obvious combination. Being known, the elements come within the "scope and content" of the prior art. The unknown is whether combining those known elements involved novel or innovative "differences" that were not obvious to a person of skill at the time of invention. *Dann v. Johnston*, 425 U.S. 219 (1976).

Petitioner would merge the "differences" aspect with the "skill" aspect, into one inquiry about whether the skill existed for persons to perceive making the combination, before the time that the combination actually was made.

The better approach is to require evidence that shows a teaching, motivation or suggestion in the prior art, explicit or implicit, because that evidence tends to prove whether the inventive differences were obvious, or not.

Eliminating a need for evidence about a teaching, motivation or suggestion to make the combination will reduce the obviousness inquiry to a swearing match over how skilled, or how innovative persons were, at the time of invention.[2]

3. AFFIRMANCE IS WARRANTED UNDER THE STANDARD OF REVIEW APPROPRIATE TO RULE 56 RULINGS, AS WELL AS, UNDER THE REVIEW STANDARD APPLIED TO EQUITABLE DECREES.

Whenever a District Court makes inadequate

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2 The comparative example is §102)(b) invalidity, where corroboration is needed in addition to testimony about the existence of the subject matter in the prior art. *The Barbed Wire Case*, 143 U.S. 275 (1892). A proven teaching, motivation or suggestion convincingly shows that the "differences," between the claimed combination and the uncombined elements in the prior art, would have been "obvious at the time" of the invention.

findings, or if its §103(a) assessment is "incomplete," then a summary judgment of invalidity should not stand. In every case, a summary judgment of obviousness based on testimony, or a conclusion, that proclaims 'it looks obvious to me' is neither a clear, nor a convincing ground to invalidate a duly-examined and issued patent. Here, the Circuit Court should be affirmed based on the threshold review standard of whether adequate findings or an adequate record exists to grant a Rule 56 motion.

Many frustrations were expressed about the Federal Circuit's jurisprudential role, by the Petitioner and its *amici*. In the undersigned's opinion, many of these concerns are borne from the multivariate standards used to review patent validity decisions of district courts. The multi-tier appellate review standards enable the Circuit Court to nullify, or ignore, all of the work done in the district court to determine obviousness.

Before undertaking any validity conclusion, the initial issue of claim interpretation will undergo *de novo* review. Then, the four *Graham v. Deere* inquiries are reviewed for clear error. Next, the conclusion about obviousness is reviewed *de novo*. Add to that, in the present case, that a grant of summary judgment is reviewed *de novo*, and a denial of summary judgment is reviewed for abuse of

discretion. *Cross Med. Prods., Inc., v. Medtronic Sofamor Danek, Inc.*, 424 F.3d 1293 (Fed. Cir. 2005).

There too are the necessarily included appellate review standards for whether a reference qualifies as prior art; for what bounds "the art to which" the inventive subject matter pertains," and for "analogous" arts; and, the review standard applied to what education and experience qualify a "person having ordinary skill" in the art.

This multivariate approach to appellate review should be supplanted, in recognition of obviousness being an equitable inquiry, with the singular standard of "reviewable on appeal for an abuse of discretion." *eBay v. MercExchange*, 547 U.S. ___, 126 S.Ct. 1837 (2006).

4. INVALIDATING A PATENT UPON A SHOWING OF OBVIOUSNESS IS AN EQUITABLE REMEDY.

The Petitioner and several *amici* operate from a premise that the obviousness inquiry traditionally was decided in the law courts. This *amicus* questions that. An invalidity challenge to a patent "is equitable" in its origins. *Tegal Corp. v. Tokyo Electron America, Inc.*, 237 F.3d 1331 (Fed. Cir. 2001), and *In re Technology Licensing*, 423 F.3d 1286 (Fed. Cir. 2005). A challenge to the validity of

a duly issued patent seeks equitable relief in the form of a declaratory judgment.

The statute, 35 U.S.C. §103(a), recites equitable factors, not tangible evidence, which "as a whole" suggest that an invention may have been obvious, and if so, that warrants a duly-issued patent being declared invalid. These statutory factors require a *post-hoc* assessment of "the prior art" viewed, as of the "time the invention was made," by a hypothetical "person having ordinary skill in the art." To posit these evaluative factors against a "presumption of validity," to reach a clear and convincing conclusion about whether to declare a patent invalid, is a pure exercise in equitable jurisprudence.

Based on a historical test, or on the measure of relief sought, an action to declare a patent invalid for obviousness seeks an equitable remedy. The English ancestor of a §103(a) claim is the writ of *scire facias*. As summarized by Blackstone, "WHERE the crown hath unadvi*f*edly granted any thing by letters patent, which ought not to be granted, ...the remedy to repeal the patent is by writ of *f*cire facias in chancery" *Blackstone's Commentaries on the Laws of England*, Book III – Chapter 17. The writ of *scire facias* enabled a citizen, who challenged an issued patent based on prior art, to have it declared invalid

by the Court of Chancery. Moreover, the modern action for a declaration that a patented invention is obvious seeks no monetary or legal relief.[3] "The distinguishing characteristics of legal remedies are their uniformity, their unchangeableness or fixedness, their lack of adaptation to circumstances, and the technical rules which govern their use." JOHN N. POMEROY, A Treatise on Equity Jurisprudence, §109 (4th ed. 1918).

If the governing rules were to be changed, based on the issues as presented here, then this *amicus* respectfully suggests that change be that obviousness determinations would be reviewed according to the standard applied to equitable rulings.

As applied to the present case, the Federal Circuit ruling of inadequate findings or of an incomplete analysis in the lower court, would be affirmed, based on standards that apply to review of summary judgments under Rule 56. However, following remand and full development of the record in the

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3 Prior to 1819, the enabling statute vested federal courts with power in patent suits heard at law. Act of April 17, 1800 (2 Stat. 37). Then, that jurisdiction was extended to equity actions. Act of February 19, 1819 (3 Stat. 481). *Campbell v. City of Haverhill,* 155 U.S. 610 (1895).

District Court, that lower court's ruling on whether the patent claims a non-obvious invention, if later appealed, would be reviewed under the abuse of discretion standard. Under either standard, a conclusion based on inadequate findings would be error, because Rule 56 requires more, or because in equity that is an abuse of discretion.

The standard of review for equitable determinations promotes a full development of the record in the District Court, and provides more predictability on appeal. The statute creating the Federal Circuit Court of Appeals sought to assure that all district courts would uniformly rule on patent law issues. Those who counsel patentees, and counsel their competitors, prefer that *predictability* be the touchstone. Predictability in patent matters derives from deliberative adjudication, based on uniform principles, including a singular standard of review. Otherwise predictability may be diffused by widely-applied standards of appellate review.

5. PETITIONER AND *AMICI* PROPOSE CHANGES TO PRECEDENT THAT REQUIRE LEGISLATIVE ACTION.

The merits brief of Petitioner, and its supporting *amici*, propose to eliminate provisions of the Patent Act, and wholly to overrule precedent.

The Petitioner's challenge to the factors set out by the Federal Circuit can be assessed on several levels. Petitioner argues that the suggestion, motivation, or teaching to combine distinct references should not be factored into the obviousness analysis. Its arguments against any single, 'litmus test' asks too much, or goes too far. However, Petitioner perhaps argues that obviousness may be proven, based on §103(a) as interpreted in *Graham v. Deere*, even when no explicit teaching, motivation or suggestion to combine distinct references can be shown. Now though, the Federal Circuit caselaw permits alternative ways to show motivation to combine. *Cross Med. Prods., Inc., supra*, or which collapses the inquiry into a measure of the prior art "as a whole." *In re Napier*, 55 F.3d 610 (Fed. Cir. 1995).

This essential point is variously stated by the *amici* supporting the Petitioner. The brief of *amici* AARP, etc., contends that the Federal Circuit demands the patented combination to "be explicitly suggested previously" in the prior art. The Solicitor General refers to the "rigid test" (pg. 15) of the Federal Circuit, which most recently referred to its "non-rigid" test. *Alza Corp. v. Mylan Labs*, 2006 WL 2556356 (Fed. Cir. Sept. 9, 2006). Circuit precedent, which admits proof of the inventive combination

having been taught or been suggested, explicitly or implicitly, or having been motivated by the nature of the problem, enables the lower courts to develop and assess a full record that takes account of all the best evidence of obviousness.

To eliminate consideration of all such evidence is ill-advised, or is a change to the law that should come from Congress.

- The *amici* law and history Professors propose a 'window' of inventiveness open for a "reasonable time" following the date of the claimed invention, and to "shift the burden" to the patentee, and to eliminate the "clear and convincing" standard as to uncited prior art.
- *Amici* IBM proposes a "rebuttable presumption" which may erode the legislative intent of §282.

These proposals may go beyond the procedural status of the case at bar. Others propose changes to the text or to the application of the Patent Act that more properly are directed to Congress.

- Petitioner would remove from consideration evidence that distinguishes the §103 obviousness standard from that for §102 anticipation. The "mere existence of differences between the prior art and an invention does not establish the invention's nonobviousness." *Dann, supra* at 230. *See, fn. 2, supra.*

- The suggestion of *amici* Intel and Micron is a standard that allows patents for pioneering or "truly novel" inventions, and denies patents for "comparatively straightforward combinations." Those too are better cast as proposals for legislative action, rather than for application of the existing statute.

Other *amici* in support of Petitioner are not in agreement about the contours and application of teaching, suggestion or motivation test.

- *Amici* Colianni expressed concern that aspects of the test get an "incorrect emphasis".
- The brief of *amici* Business Software Alliance suggests that a more "flexible and content-specific" inquiry should overlay the teaching, suggestion or motivation test.
- *Amici* Professors Strandburg, *et al*, and General Motors advocate that the focus move from the §103(a) factor of "prior art" to consider the provable "skill in the art" at the time of invention. All this may do is have competing trial experts testify that skilled person would deem a combination obvious, where now the focus is on more empirical evidence of what combinations actually were known, shown, or suggested in the relevant prior art. These *amici* proposals suggest that district judges, or the litigants presenting the evidence, fail to give enough

regard to a showing of what a person of ordinary skill would have known at the time of invention.

■ Petitioner and various *amici* are troubled that an accused infringer might encounter difficulty in obtaining a summary judgment of obviousness. That, perhaps, results from the clear and convincing standard of proof, rather than the precise issue at bar.

These proposals expand on the question presented here, or suggest legislative action on the Patent Act to remedy various concerns.

In conclusion, the undersigned *amicus* respectfully submits that evidence, explicit or implicit, that proves the existence or absence of a teaching, suggestion or motivation to combine the prior art should remain a factor essential to the obviousness inquiry. The test is workable, and has served the patenting regime well, for years. If a change is needed, then thought should be given to having obviousness determinations, based on a complete record, be reviewed under the equitable standard of an abuse of discretion.

> "Knowledge after the event is always easy, and problems once solved present no difficulties, indeed, may be represented as never having had any, and expert witnesses may be brought forward to show that the

> new thing which seemed to have eluded the search of the world was always ready at hand and easy to be seen by a merely skillful attention. "But the law has other tests of the invention that subtle conjectures of what might have been seen and yet was not." *Diamond Rubber Co. v. Consolidated Rubber Tire Co.*, 220 U.S. 428, 435 (1911).

Obviousness should include evidence of any teaching, motivation or suggestion to combine elements, because that proves what might have been combined, and "yet was not."

CONCLUSION.

Adequate consideration of evidence, or a lack of evidence, as to whether a teaching, motivation or suggestion to combine previously known elements existed as of the time of invention is fully in accord with the text of §103(a), and with the equitable determination required to invalidate a patent as obvious.

For these reasons, the ruling of the Federal Circuit Cout of Appeals should be affirmed.

Dated: Sept. 25, 2006

Respectully submitted,

LEE THOMASON
SPALDING & THOMASON
106 North 4th St.
Bardstown, KY 40004
(502) 349-7227
Amicus Curiae and Counsel